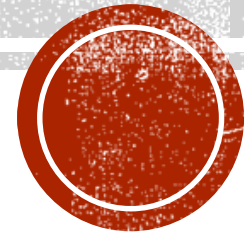


VILLAGE OF ELK RAPIDS BUDGET

Proposed for Fiscal Year 2016-2017



INTRODUCTION

- The purpose of this review is to present the proposed Village of Elk Rapids Budget for the Fiscal Year 2016-2017. The budget presented is as discussed at the January 11, 2016, Budget Work Session, with modifications per the summary in your packet.



BUDGET PROCEDURE

- Based on comments from the public, Council and staff at tonight's meeting, changes to the budget may be made. After tonight's presentation and public hearing, the Council will consider approving the budget. As a community, we adopt our budget formally by fund and activity. During the course of the fiscal year, Council may wish to amend the budget, at which time, the dollar amounts designated to specific fund and activity numbers are revised. Also, the manager may amend an account number as long as it does not change the amount in the activity or fund total.



GENERAL FUND EXPENSE ACTIVITES

Activity (area 101)	Proposed 2016-2017	Change
172 Village Manager	\$56,080	↓ \$11,784
216 General Services	\$193,987	↑ \$9,360
260 Clerk	\$121,727	↑ \$17,878
300 Police	\$450,305	↑ \$4,137
690 Park Maintenance	\$219,729	↑ \$66,417
692 Beautification	\$18,792	↑ \$824
594 Parks & Recreation	\$5,310	↑ \$1,660
698 Beautification Donation	\$1,000	↓ \$1,890
801 Planning	\$98,224	↑ \$2,303
TOTAL	\$1,165,154	↑ \$80,631



GENERAL FUND REVENUE SOURCES

Revenue Source	% of Total Revenue	FY 2016-2017
Taxes Real & Personal	79%	\$827,197
State Sales & Const. Tax	13%	\$132,900
Other Miscellaneous	8%	\$83,525
TOTAL	100%	\$1,043,622 *

*Excludes any prior year fund balance that would be used for expenses.



STATE REVENUE SHARING HISTORY

STATE REVENUE SHARING (2001-2015)



WHAT REDUCED REVENUE SHARING MEANS

- Had revenue sharing remained the same as in 2001, the Village would have realized an additional General Fund revenue of \$566,535 (an average of \$37,769 per year). In the State Fiscal Year 2010-2011, revenue sharing started to increase ever so slightly. A similar increase is also expected for the current State Fiscal Year 2015-2016.



TAXABLE VALUE AND MILLAGE RATES

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Taxable Value	\$105,714,650	\$105,907,946	\$106,241,283	\$108,533,886	\$111,208,699	\$112,238,348 *
Millage Rate (excluding debt)	11.5175	11.5510	11.4559	11.4950	11.380	11.436 **

* Estimated

** Proposed millage rate, not yet adopted



PROPERTY TAX & STATE REVENUE SHARING (2010/11-2015/16)

Category	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Property Tax (3 funds)	\$1,263,307	\$1,217,767	\$1,223,298	\$1,212,041	\$1,241,551	\$1,264,840
State Revenue Sharing	\$118,170	\$122,840	\$123,668	\$127,752	\$130,933	\$133,107
TOTAL	\$1,381,477	\$1,340,607	\$1,346,966	\$1,339,793	\$1,372,484	\$1,397,947
Change from Previous Year	\$60,331	\$-40,870	\$6,359	\$-7,173	\$32,691	\$25,463



GENERAL FUND HIGHLIGHTS

- General Fund millage rate is down slightly resulting in lower taxes collected.
- We are planning to receive all of the statutory revenue sharing available.
- Transfer to Water Operation/Fire Hydrant maintenance is increased from \$7,800 to \$14,000.
- \$1,160 is being transferred for the Dam Beach and Fishing Park Restroom engineering work.
- \$11,000 is being transferred for police vehicle replacement.
- \$3,181 is budgeted in Beautification for DPW wages/benefits in lieu of contracting out some garden maintenance.
- Increase in Park Maintenance is due to new wage distribution spread of DPW employees.
- Cost of new Manager search is included in Contractual.



MUNICIPAL STREET FUND (FUND 204)

<u>REVENUE</u>	Amount	Change
Tax	\$366,570	
Miscellaneous	\$2,300	
Estimated Cash Balance	\$20,000	
TOTAL	\$388,870	↑ \$34,320
<u>EXPENSE</u>		
Transfers	\$344,250	
Internal Expenses	\$33,500	
TOTAL	\$377,750	↑ \$38,528



LOCAL STREET FUND (FUND 203)

<u>REVENUE</u>	Amount	Change
Gas & Weight Tax	\$48,500	
Transfer In	\$145,000	
Township Contribution	\$30,000	
State Refund: Snow Removal	\$8,000	
Estimated Cash Balance	\$65,000	
TOTAL	\$296,500	↑ \$58,000
<u>EXPENSE</u>		
Construction	\$98,200	
Maintenance	\$124,074	
Winter Maintenance	\$54,985	
TOTAL	\$277,259	↑ \$48,272



MAJOR STREET FUND (6.36 MILES) (FUND 202)

<u>REVENUE</u>	Amount	Change
Gas & Weight Tax	\$118,000	
Transfer In	\$110,000	
State Refund: Snow Removal	\$5,000	
County Maintenance	\$400	
Estimated Cash Balance	\$44,000	
TOTAL	\$277,400	↑ \$46,000
<u>EXPENSE</u>		
Construction	\$0	
Maintenance	\$165,994	
Winter Maintenance	\$99,261	
TOTAL	\$265,255	↑ \$39,918



STREET FUND HIGHLIGHTS

- We continue to increase our tree maintenance dollars, due to the trees damaged in the August 2015 storm.
- Cost of electricity continues to increase.
- Increase in transfer to Motor Vehicle Replacement (661).
- Will be completing the Millers Park/Fourth Street project this Spring.



REFUSE FUND (COMPACTOR)

<u>REVENUE</u>	Amount	Change
Tax	\$89,790	
Fees	\$39,000	
Miscellaneous	\$600	
Estimated Cash Balance	\$35,000	
TOTAL	\$164,390	↑ \$20,987
<u>EXPENSE</u>		
Compactor	\$159,363	
TOTAL	\$159,363	↑ \$40,000



RIVER CROSSING WATER DEBT

- **REVENUE**

- Taxes: \$40,854
- Actual taxable values in 2015-2016 were higher than anticipated, resulting in more tax dollars collected than what was needed for the bond payments. Millage rate this year is adjusted to reflect that overage.

- **EXPENSES**

- Debt: \$44,275
- This debt is paid through the receipt of a voted millage.



WATER FUND 595 (COMBINED FUNDS 409 AND 595)

<u>REVENUE</u>	Amount
Water Bill	\$432,000
Tower Lease	\$31,000
Miscellaneous	\$18,898
Estimated Cash Balance	\$315,000
TOTAL	\$796,895
<u>EXPENSES</u>	
Water Operation/Capital	\$411,291
TOTAL	\$411,291



WATER FUND HIGHLIGHTS

- Water Capital and Water Operation Funds combined per auditors recommendation. This will eliminate the transfer of principle and interest to repay the 2003 inter-fund loan from Water Operations to Water Capital.
- Water Capital Rate increases to \$9.70.
- Flat Rate increases to \$9.80.
- Usage Rate increases to \$2.00 (per 1,000 gallons) from \$1.24 (per 1,000 gallons) on March 1, 2016.
- We are anticipating a possible increase in Water Tower lease revenues if an agreement can be reached with TMobile.
- Water tower repainting is scheduled for this year at a cost of \$110,000.
- Transfer from General Fund for Fire Hydrant maintenance increases from \$7,800 to \$14,000.



HARBOR FUNDS

<u>REVENUE</u>	Amount
Harbor Capital (407)	\$149,000
Harbor Enterprise (594)	\$1,160,530
Harbor Construction (794)	\$454,600
Harbor Bonds (795)	\$231,884
TOTAL	\$1,996,014
<u>EXPENSES</u>	
Harbor Operations	\$1,002,482
Capital	\$149,000
Debt	\$110,389
Construction	\$0
TOTAL	\$1,261,871



DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

<u>REVENUE</u>	Amount
Tax Increments	\$115,985
Miscellaneous	\$0
Cash Balance	\$40,000
TOTAL	\$155,985
<u>EXPENSES</u>	
Tax Reimbursements	\$17,400
Debt	\$52,400
Operations	\$36,750
Future Construction	\$0
TOTAL	\$106,550



SANITARY SEWER FUNDS (FUNDS 405, 590)

<u>REVENUE</u>	Amount
Sewer Bills	\$981,227
Miscellaneous	\$63,700
Estimated Cash Balance	\$540,000
TOTAL	\$1,584,927
<u>EXPENSES</u>	
Capital	\$127,500
Operation	\$866,245
TOTAL	\$993,745



SEWER FUND HIGHLIGHTS

- Sewer rates remain the same.
- Full debt payment on the WWTP Bond is expected this year in the amount of \$280,000.
- Fund 430, WWTP Construction Fund, should be phased out this year as all construction expenses and reimbursement from bond is realized.



OTHER FUNDS

Fund	Revenue	Expenses	Balance
General Capital (401)	\$269,094	\$149,925	\$119,169
<ul style="list-style-type: none"> - \$100,000 Sidewalk Work - \$32,500 for police vehicle purchase - Adawalk to be installed at Veterans Memorial Park in Spring \$76,376 (reserved) 			
Motor Pool (661)	\$391,730	\$251,219	\$140,511
<ul style="list-style-type: none"> - \$21,700 Loader Lease - \$20,000 New fence at Village Garage 			
Building Operations (296)	\$85,000	\$84,430	\$570
<ul style="list-style-type: none"> - New phone system - Parking lot repair 			
Bridge St. Bond (394)	\$45,560	\$45,560	\$0
River St. Bond (398)	\$61,475	\$61,475	\$0

